



## **Collection** *Études théoriques*

**no ET0610**  
**The Variety of Governance and  
Management Configurations: the  
Case of Third Sector Organizations**

Marie-Claire Malo

September 2006

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This Working Paper is the English version of:

« *La variété des configurations de gouverne et de gestion: le cas des organisations du tiers secteur* »

Cahiers du CRISES

Collection *Études théoriques* - no ET0311

Dépôt légal : 2003

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Cahiers du Centre de recherche sur les innovations sociales (CRISES)

Collection *Études théoriques* – no ET0610

« **The Variety of Governance and Management Configurations: the Case of Third Sector Organizations** »

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ISBN-10 : **2-89605-235-6**

ISBN-13 : **978-2-89605-235-6**

EAN : **9782896052356**

Dépôt légal : 2006

Bibliothèque nationale du Canada

Bibliothèque et Archives nationales du Québec

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Une innovation sociale est une intervention initiée par des acteurs sociaux pour répondre à une aspiration, subvenir à un besoin, apporter une solution ou profiter d'une opportunité d'action afin de modifier des relations sociales, de transformer un cadre d'action ou de proposer de nouvelles orientations culturelles.

En se combinant, les innovations peuvent avoir à long terme une efficacité sociale qui dépasse le cadre du projet initial (entreprises, associations, etc.) et représenter un enjeu qui questionne les grands équilibres sociétaux. Elles deviennent alors une source de transformations sociales et peuvent contribuer à l'émergence de nouveaux modèles de développement.

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- Les membres de l'axe conditions de vie repèrent et analysent des innovations sociales visant l'amélioration des conditions de vie, notamment en ce qui concerne la consommation, l'emploi du temps, l'environnement familial, l'insertion sur le marché du travail, l'habitat, les revenus, la santé et la sécurité des personnes. Ces innovations se situent, généralement, à la jonction des politiques publiques et des mouvements sociaux : services collectifs, pratiques de résistance, luttes populaires, nouvelles manières de produire et de consommer, etc.

## **Axes innovations sociales, travail et emploi**

- Les membres de l'axe travail et emploi orientent leurs recherches vers l'organisation du travail, la régulation de l'emploi et la gouvernance des entreprises dans le secteur manufacturier, dans les services, dans la fonction publique et dans l'économie du savoir. Les travaux portent sur les dimensions organisationnelles et institutionnelles. Ils concernent tant les syndicats et les entreprises que les politiques publiques et s'intéressent à certaines thématiques comme les stratégies des acteurs, le partenariat, la gouvernance des entreprises, les nouveaux statuts d'emploi, le vieillissement au travail, l'équité en emploi et la formation.

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*Denis Harrison*  
Directeur

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The author would like to thank the HEC Montreal Research Service, the CRISES and the FQRSC for their financial support of the translation of this text.



## TABLE

LIST OF TABLES.....	ix
SUMMARY.....	xi
INTRODUCTION .....	1
1. THE ORGANIZATIONAL CONFIGURATIONS.....	3
2. THE GOVERNANCE CONFIGURATIONS .....	5
2.1. Missionary governance, local or global.....	5
2.2. Participative democratic governance.....	6
2.3. Representative democratic governance .....	6
2.4. Entrepreneurial governance, « en solo » or « local» .....	7
2.5. Governance by performance contract.....	7
2.6. Integrated governance .....	8
3. THE MANAGEMENT CONFIGURATIONS .....	11
3.1. Activist or missionary management .....	11
3.2. Management en solo.....	11
3.3. Participatory democratic management or self-management.....	12
3.4. Representative democratic management or co-management .....	12
3.5. Decentralized mechanist management .....	13
3.6. Integral mechanist management .....	13
3.7. Global management by performance control .....	14
3.8. Missionary global management.....	15
CONCLUSION.....	17
REFERENCES .....	19





## LIST OF TABLES

TABLE 1	Organizational Configurations (Mintzberg, 1982, 1992).....	4
TABLE 2	Governance Configurations (Malo, 2000, reviewed in 2003).....	9
TABLE 3	Management Configurations (Malo 2000, reviewed in 2003).....	16



## SUMMARY

*There are numerous approaches to governance. Whether defined as control or as co-ordination, governance is strongly linked to the issue of power. However, power is not as easily defined as is a legal responsibility. In addition, beyond judicial statute, it is beneficial to explore the variety of governance configurations. The author proceeds by rereading organizational configurations and re-interpreting them so as to take into account the practices of the third sector and to precisely highlight their governance and management configurations, in terms of participating in the orientation of activities and of coordinating the activities of the collective organization or collective enterprise.*

*Marie-Claire Malo*



## INTRODUCTION

There are numerous approaches and definitions of governance (Steeck, Schmitter and al., 1985, *Gestion*, 1998; Turnbull, 2000; Cornforth, 2002; Enjolras, von Bergmann-Winberg and al. 2002) ranging from the governance of the economy to the governance of the capitalist, state or third sector organizations. In the strict sense, the *government of the enterprise* or *corporate governance* corresponds to the function of *control* that the board of directors possesses over the manager or the management team; it refers to *corporate control*, strengthened by ethical codes and accounting norms. In a larger sense, governance can be characterized as a form of *co-ordination* at different levels of regulation, from macro to micro, from global to local, from inter-organizational to intra-organizational and of different sorts (private/public; marketable/not marketable). However, whether governance is defined as control or co-ordination, it always has a bearing on the *power over* the organization (even including regulation by the market or the state), the *power of* the organization (even including self-regulation by the hierarchy or the association) and the *power within* the organization (even including the involvement and the co-operation of actors implicated in the activity chain).

Governance as an exercise of *sovereign power* statutorily belongs to the general assembly or the elected board of directors representing the shareholders of a capital corporation or the members of a third sector organization (association, co-operative, mutual). Consequently, power is not as easily defined as the legal responsibility of representing the interests of *shareholders*, members or other *stakeholders*. Power is generally *delegated*, at least partially, to one or several coordinators or managers. Power is also *co-active*, tied to the *empowerment* of actors, to their “capacity to accomplish things together” (Follet quoted by Saussois, 1999). The issue of power, and ultimately of *democracy*, refers to social relations as well as institutional and organizational dimensions (Belanger and Levesque, 1992). This article will deal with these dimensions in terms of strategy and structure. The institutional dimension henceforth corresponds to *governance* or the power to strategically orient activities. The organizational dimension is henceforth related to co-ordination mechanisms that contain a specific *management mode*.

Beyond the judicial statute of organizations, it is important to emphasize the variety of governance and management configurations present in the third sector. The configuration approach was popularized by Henry Mintzberg who proposed a typology of *seven structure ideal types*. They will be succinctly described and followed by a presentation of the results of my organizational configurations *revision from the governance and management perspective*, taking into special consideration the practices of the third sector. This article does not aim at encompassing all cases, but will attempt to maximize on the experiences of different associations and co-operatives and the research undertaken by the HEC Montreal, the CRISES, the CIRIEC and the ARUC-Social Economy.<sup>1</sup>

<sup>1</sup> See these sites : Centre d'études Desjardins including publications of ex-Centre de gestion des coopératives (<http://www.hec.ca/centre-etudes-desjardins/cahiers/>), CRISES (<http://www.cris.es.uqam.ca>), ARUC-ÉS (<http://www.aruc.es.uqam.ca>), CIRIEC-Canada (<http://www.ciriec.uqam.ca/>) and CIRIEC international (<http://www.ulg.ac.be/ciriec>). Also consult the exceptional collection on third sector (associations, cooperatives and mutual organizations) at the HEC Montreal library (<http://www.hec.ca/biblio/hector/>) and the Repertoire of Master and Ph.D. dissertations at the IREC site (<http://www.irec.net>).



## 1. THE ORGANIZATIONAL CONFIGURATIONS

An important synthesis of the literature on organization structures lead Mintzberg (1982, 1990) to identify *seven organizational configurations* or ideal-types of structure, taking into particular consideration *the organizational component in power* and *the key mechanism of coordination* (see table 1):

- First, in the *entrepreneurial organization* or *simple structure*, power is concentrated at the *strategic summit* composed of a president and general director who holds authority and co-ordinates through *direct supervision*.
- Second, in the mechanist organization or industrial bureaucracy, an important technostructure co-ordinates through the standardization of work procedures.
- Third, in the professional configuration, co-ordination is guaranteed through the standardization of qualification of workers belonging to the operational center who hold a great deal of autonomy.
- Forth, in the innovative or adhocracy organization, mutual adjustment is the key mechanism of co-ordination and the support services play an important role in the management of projects.
- Fifth, the hierarchical line, composed of division heads, holds the balance of power in the divisionalized organization in which the co-ordination is exercised through the standardization of results imposed by headquarters.
- Sixth, the configuration is said to be political when each of the organizational constituents work towards its own particular goals and there is no dominant co-ordination mechanism.
- Seventh, and contrary to the previous configuration, in the missionary configuration, all the constituents work in the same direction, coordinated by the standardization of behavioral norms deriving from an ideology (also defined by Minzberg as a common culture).

**TABLE 1**  
**Organizational Configurations**  
**(Mintzberg, 1982, 1992)**

<b>Organizational configuration</b>	<b>Key constituent in power</b>	<b>Key mechanism of co-ordination</b>
Entrepreneurial (Simple)	Strategic summit	Direct supervision
Adhocratic (Innovating)	Support services	Mutual adjustment
Professional	Operational center	Standardization of qualifications
Mechanist (Bureaucratic)	Technostructure	Standardization of procedures
Divisionalized	Hierarchic line	Standardization of results
Missionary	Everyone pulls in the same direction	Standardization of norms
Political	Everyone for themselves	Absence of coordinating mechanism

Taking these configurations as a starting point, what will be precisely found if we were to re-interpret them through the governance and management perspective of the third sector?



## 2. THE GOVERNANCE CONFIGURATIONS

In strategic management, governance refers to the *power of strategically orienting* the organization's activities. This power formally belongs to the *strategic summit* that represents the interests of *the entrepreneur* as an agent. In economic studies, the entrepreneur is *the agent possessing the power* over the productive unit that is the enterprise. In the third sector, however, the entrepreneur is a *grouping of people*, physical (*i.e.* individuals) or moral (*i.e.* judicially constituted organizations), and not a capital interest group even if capital can be mobilized, particularly in a foundation. When a grouping of people, a *collective entrepreneur*, strategically controls the organization, who then holds the power? Who is part of the strategic summit? Who else participates in the strategy elaboration process? Who are the other *stakeholders* beyond the members interested by the activities or the cause? Which actors, individuals or collectives participate in the choice of strategic orientations? In other words, what is the *governance configuration*, if we consider it as the power to strategically orient activities? What does a re-reading of the organizational configurations from this perspective reveal? Six governance configurations stand out:

### 2.1. Missionary governance, local or global

Let us begin with *missionary governance* by presenting an analogy with the missionary configuration. Whereas Mintzberg emphasizes the ideological dimension of the missionary configuration, we rather discern a *combination of ideology and utopia* in this configuration, a project unit that mobilizes and norms that hold it together. Even though we generally consider utopia an unrealistic project and ideology as a manipulation or a deformation of reality, we are influenced by the philosopher, Paul Ricoeur, to advance a different interpretation. On the one hand, utopia is a *mobilization force* because it presents an alternative to the actual world, and moreover because the utopian describes the “best of worlds”. On the other hand, ideology constitutes a necessary *cohesion force* for a society or a collectivity in order to stay together. This *adhesion* is not the best of worlds, but the “best of possible worlds”.

Every new collective form in the third sector, at the primary or secondary level, local or federated organization, can be considered as an *open micro-utopia* playing upon reciprocity (volunteerism, donation) in civil society while it simultaneously inserts the collective project in a relation to the state or the market. In addition, missionary governance is particularly present in new third sector organizations. Older organizations, third sector institutions, are more called upon to insert themselves in a *missionary supra-configuration*, to form a *movement with others*, to let the aspirations of *societal social movements* permeate their own governance which subsequently enables them to renew the ties with their founding values by updating them.

When the mobilizing project is simply a business project, without any societal project, when there is no project aiming at social transformation, but simply a positioning project in relation to the market or to the government, then the governance of the organization is in harmony with the values and norms of the dominant ideology. On the contrary, when a corporate project is part of a

societal project and is attracted by a utopia of a better world, then governance is an alternative relation to the ideology in place.

In democratic societies, ideology is more an issue of cohesion by adhesion than domination by repression and consequently, the *charismatic leader* is suited to missionary governance. But a leader is not enough, even though he may be charismatic. Content, a *collective project or general interest* is also essential. *Social leaders* are required and not only those who are charismatic.

## 2.2. Participative democratic governance

The second configuration is the *participative democratic governance*. This form of strategic governance is coherent with *the values* of the collective entrepreneur in the social and solidarity economy. In fact, governance by *mutual adjustment* corresponds to *participative democracy* that goes beyond formal representative democracy as found in the laws of the third sector. It includes the creation of an *innovative structure of participation* for associative life or at least a *dynamization* of the classic governance structure: a general assembly of members and a board of directors elected by the members, a manager appointed by the board. It implies going beyond this formal structure and including the operators and users, if they are not already present, in the deliberative process.

Participative governance corresponds well to the *strategic participative process* of a small third sector collective organization in which the *participation* of members and other stakeholders is an *end to itself*. It is also well suited for the *round tables* of third sector volunteer organizations. It is also typical of an exercise of power in a federation that still functions using the *concerting deliberating manner* among members of a regrouping and between the federated strategic summit and the local strategic summits. *Mediation animations* are required; as are numerous comings and goings between the federated organism at the second level and the organisms at the primary level. The federated units form the grassroots of the associate, co-operative or mutual movement. Numerous *transversal relations* are also required. The participative governance applied to a local third sector regrouping of volunteer organizations is thus a configuration that takes into account the required *adjustments* to carry out a balance between the *unity* of the movement and the *autonomy* of local constituents.

## 2.3. Representative democratic governance

The third type we founded is the *representative democratic governance*. In the political configuration described by Mintzberg, power which is too dispersed because “everyone is for himself”, leads to the collapse of the organization. This configuration was applied to collective organizations belonging to the third sector and entails rehabilitation. In fact, political governance also has a meliorative content: *representative democracy*. The latter needs to recognize the particular interests of different stakeholders even within an apparently homogenous grouping (for example, it must take into account different genders and generations, etc.).

*Democratic governance* does not purport that everyone participates – this criteria is more that of participative governance – but that all the members have the *right to participate or be represented*. Democracy is inclusive but within a limited framework (its members composing the membership). Through extension, representative democracy leads to considering human rights defense groups as stakeholders. Therefore, no one is excluded because even the “small”, the minorities in the sociological sense, have their rights defended by these associations. The expression of counter-powers is permitted. The *contestation animation* is established. It provokes emergent strategies and participates in the process of social transformation.

## 2.4. Entrepreneurial governance, « en solo » or « local »

The forth configuration is *entrepreneurial governance*, typical of small companies with a single owner. In the third sector, it corresponds to *governance “en solo”* by one elected manager (the president) or a named manager (the general director). *En solo* governance is often a founder’s affair. The social commitment of an individual can lead to the emergence of a *social entrepreneur* more than a collective. The general director is responsible for the management of the collective enterprise while participating in governance. However, what can occurs is that despite the age of the organization, this manager can *govern the grouping of people*, he can do more than support them in their strategic choices: the assembly of members plays a silent role and the board of directors is co-opted; the grouping of members, as a collective, is inactive in the strategic process. Even so, nothing can prevent that such a configuration continues to maintain itself because it can be well accepted by the members when the managing official governs in the perspective of the collective or the general interest.

In a federated organization or in a global-local partnership configuration, the local entrepreneurial governance corresponds to the *autonomy* of the *local strategic summit* (elected representatives, elected officials, named managers) in relation to the federated global governance. The local strategic summit is said to be *entrepreneurial* in an organizational system when it can exercise, at least partially, its sovereign power within in its local territory. In the name of autonomy, the local strategic summits, without refusing to adhere to a grouping or a partnership, look to insert themselves in the federative configuration or partnership while negotiating a sufficient level of leeway to maintain a *distinct identity*.

## 2.5. Governance by performance contract

The fifth configuration is *governance by performance contract*. It is an *integrative* manner of governance particularly well adapted to the *global-local partnership configuration* containing financial suppliers (state, philanthropic foundation, even a federation) and local volunteer organizations offering services to their members or a third party. The local operators and the global financial donors form the aggregate of a locally managed and globally administrated organizational system. The global strategic summit recognizes *local autonomy* but demands *accountability* and performance. Performance is never measured by capital profit return; the *evaluation criteria* can be, for example, the *number* of jobs maintained or created or the salary

mass as a source of revenue for the state. It is a post-modern, post bureaucratic configuration. The state or the philanthropist does not want to directly act, but want to make others act, by recognizing *local know-how* and especially that of third sector volunteer organizations. The recognition of *local governance* is nevertheless an issue at stake, an object of constant renegotiations in order to avoid instrumentalization.

## 2.6. Integrated governance

Finally, the sixth configuration, *integrated governance*, is found in the older and large scale institutionalized social economy. The competitive *game rules* in a sector or industry can drive a grouping of local organisms towards becoming a *single organization*. By way of fusions and successive integrations, the local level, initially built through a fission-like process (several local organizations), is transformed into branches. The grouping can maintain the levels of associative life even though it has already evolved towards a single collective corporation. It then takes the plunge to become a single grouping of individuals. In due time, there is only *one large association, co-operative or mutual* in the activity sector, at the national level, and maybe even at the continental or planetary level. A territorial form of associative life can indeed be reconstituted, but it will be “disengaged” from business activities. These activities are integrated by a *strong technostructure* that produces or imports the standardization of procedures typical of the mechanist configuration. The federation as a global strategic summit has practiced mediation animation with local strategic summits followed by *integration animation* right up to the establishment of *integrated governance*. Only “top to bottom” process are remain. Without any local roots, the configuration risks leaving its field especially if the capitalistic intensity of the activity leads to a “demutualization” and to a “decooperatization”. Locally, it is in the interest of third sector institutions to conserve “governance spaces”, be they regional or supra-local rather than local. Globally, the big and older third sector institutions can renew themselves by placing themselves, as we have already mentioned above, in a missionary super-configuration.

The six governance configurations (Table 2) are intersected to different degrees by values of the social and solidarity economy, such as autonomy and democracy and by revolutionary type visions that include a project of social transformation, contributing to the “architecture of the general interest”, while taking into account different “perimeters of solidarity” (Monnier & Thiry, 1997).

**TABLE 2**  
**Governance Configurations**  
**(Malo, 2000, reviewed in 2003)**

<b>Ideal type of governance</b>	<b>Actors and dynamic of strategic process</b>	<b>Organizations and values of the third sector</b>
1) Missionary governance (local or global)	Social movements Social leaders Charismatic leadership Adhesion to a mobilizing project of social transformation	Small local organization Small federated ensemble Generally still young Big older organization or big older federated ensemble renewing itself Value: collective or general interest
2) Participative democratic governance	Participation for everyone Mutual adjustment Autonomy and dialogue	Small organization Small federated ensemble or round table organization Generally still young Value: participation as an end to itself.
3) Representative democratic governance	The right to be represented Representatives of the stakeholders Defense rights associations Expression of counter power	Small organization Federated ensemble Big organization Value: interests of members from all categories: common interest (interface of particular interests).
4) Entrepreneurial governance (solo, duo, local)	Strong president or general director (solo) Strong duo of both Strong local strategic summit (board of directors, elected officials and manager together)	Small organization Local organization in a federated organizational system Local organization in a global-local partnership Value: local autonomy
5) Governance by performance contract	Financial donors Local strategic summits Accountability and performance evaluation criteria Local governance as a stake to avoid manipulation	Global-local partnership configuration Local state and organizations Local foundations and organizations Local federation and organizations Values: accountability and autonomy
6) Integrated governance	Rules of the sector (dialogue, integration) Technostructure (standards of the sector) Global strategic summit Integrated animation General interest as a stake to avoid the demutualization (see 1: global missionary governance)	Big older organization and institutionalized branch Value: efficiency



### 3. THE MANAGEMENT CONFIGURATIONS

Governance as a *mean of co-ordination* has a strong interface not only with structure but also with management as a co-ordination function. What happens to the *general management function* in third sector organizations once the strategic orientations are spelled out? How *work is coordinated*, whether it be paid or volunteer in a small organization? How can the managers of a federated organization *co-ordinate network activities* of local autonomous and volunteer organizations? How can be assumed the general management or co-ordination function when the organizational structure has become *complex*? Which *supra-co-ordination mode* can come to terms with the management of an organizational aggregate that combines several co-ordination modes? What *simple criteria* can be used by the upper management of a third sector “group” aware that it cannot choose the maximization of profit and capital value criteria? These questions induce us to highlight the next *eight management configurations* (Table 3) in the third sector.

#### 3.1. Activist or missionary management

When actors of all categories elected or not, volunteer or remunerated, manager staff or other employee, user or partner, work towards the same goal, because they adhere to the same *mission*, to the same *mobilizing project*, the co-ordination is called *missionary*. Missionary management is particularly frequent among young local organization or federations where the first director is an *activist manager*. The manager can be *charismatic*. He is the *leader* or at the very least, the *animator* of a team engaged in operations. The *leadership en duo* can also be observed and can include the president (often the founder) and the general director or coordinator. The vision and the project are important. As is the *project carrier*. The project and the leadership mobilize the social commitment of the operators. Even if leadership can be exercised alone, this configuration distinguishes itself from the following one because it is founded upon *adhesion* and not subordination.

#### 3.2. Management « en solo »

The second configuration is *management en solo* which is in the vein of the entrepreneurial configuration. In small third sector organizations, the co-ordination of work can be achieved through the *direct supervision* of a director who exercises his *authority* over workers and volunteers engaged in operations. When the organization is young, this *general director* can even be a founder. When the organization is still small but older, when activism no longer exists, the general direction can be in the hands of an outsider who can also concentrate power and responsibility and co-ordinate through direct supervision. In each case, the efficiency of operations is a priority.

### 3.3. Participatory democratic management or self-management

Democratic management is a value frequently expressed in the third sector, especially in the solidarity social economy. It often implies a *participatory management*. When mutual adjustment is coupled with the managerial authority, the position of general director is generally given the title of *coordinator*. This is the case with small participative organizations, young or not so young, that *function in a collective manner* which values the *participation of everyone as an end in itself* and not only as a means. In addition, as hierarchic authority is founded upon a labor relation legitimated by a property relation specific to the third sector (groups of people and not capital corporations), the manager learns to moderate this authority. And, he softens it even more when training and supervising volunteers.

*Adhocracy*, including a participatory management configuration, is adopted by small collective services organizations that function around the direct contribution of their members to operations, through volunteerism. It implies the *functioning of operational committees*. It characterizes the *self-managed collectives*, whether they are composed of workers, users or both. *Self-management or participatory management* are adopted by numerous small associative, co-operative or mutual organizations belonging to the third sector, which are generally still young, sometimes older but strongly imbued with *empowerment* as a value. They practice *deliberation regularly* in a weekly or monthly *general assembly* dealing with numerous issues usually concerning management and also hindering governance as the power to orient activities. The manager plays the role of *animator*.

### 3.4. Representative democratic management or co-management

Fourthly, if participatory management is a form of democratic management, *representative management* should equally be considered as such. In this configuration, the direct participation of employees, paid and volunteer is not a goal. It is rather the *participation of their representatives* that is the focus. What is important in this configuration of corporate management democratization is the *representation of interests*. The emphasis on oppositions, the expressions “in favor” and “against” in common spaces of deliberation is fully accepted. These spaces can take the form of a *general management committee* and other *mixed committees* (employer-trade union, users-paid employees, paid employees-volunteers; elected and not elected) in which representatives participate.

*Contestation, mediation and integration animations* co-exist. By acknowledging the particular interests within a collective enterprise, their representation is encouraged, *trade unionism* is recognized, mediation animation is accepted and contestation animation also. *Debate* and *deliberation* are coherent with the exercise of democracy, a value of associationism, co-operativism and mutualism. Their rules are certainly more precise, more formal in this configuration than in the preceding one. However, a good deal of *self confidence* and *openness* from the manager of a third sector organization is required to encourage these values *within* the collective enterprise that he manages. This is indeed the case, if the governance of this organization can already be considered deliberative, animated by a board of directors president who promotes it. A *democratic manager* is required.



### 3.5. Decentralized mechanist management

The fifth management configuration, decentralized mechanist management, includes the co-existence of *mechanist* and *professional* configurations interceded by the existence of local strategic summits.

In large corporation chains or in a large network of establishments, bureaucratic co-ordination by the *standardization of work procedures*, formally dominant and then in decline, is today being renewed by new *information and communication technologies* (ICT). This renewal is related to a *hybridization* with another mode of co-ordination: the *standardization of qualifications* of operators. In fact, the new information systems not only “frame” the work of the operator, they also require the strengthening of his *professionalization* and thus his *autonomy on the job*, often through *service co-production with the user*. In this configuration, hierarchy exists, but it is technological. The intermediary managers are mediators of change and at the local level of the establishment, the superior is no longer a supervisor. This manager at the primary level becomes a *coach* to facilitate change, a guide to change, a facilitator of family-work-studies conciliation in a context of stress.

The configuration of coordination by double standardization of procedures and qualifications is also found in the third sector. The “standardizer” can be a federation, even a foundation or a ministry managing a program with a tight framework designated for local third sector organizations. Even so, as long as the local strategic summits subsist, mechanist management is flexible. Take the example of a federation with a decentralized mechanist management. This is the case of several large financial institutions belonging to the third sector. The local co-operatives and mutual organizations are coordinated by standardized business procedures derived from the experts of the federation that produces or imports them. Nevertheless, since the segmentation of the market is currently leaning strongly towards individualization, the local financial advisor is required to provide a personalized selection among a vast array of standard answers for the client and/or user member. This local councilor is also required to be open to service co-production with the user. The qualified training accompanying the transformation of clerical positions into financial services counseling positions is based as much upon if not more on the development of relational behavior and capacities of the professionalized employee as on the apprenticeship of corporate and personal financial knowledge. Autonomy at work, resulting from the standardization of qualifications, is coupled with the standardization of processes programmed to the screen of computerized job positions. However, since local strategic summits are still present in this configuration, *local adaptation* to the corporate business model is encouraged, even more so when local management is supported by local governance (local board and manager) and leans towards the optimization of *proximity effects* with users and the community.

### 3.6. Integral mechanist management

The sixth configuration is *integral mechanist management*. In a federated organization, from the perspective of the *upper management of the federation*, as long as the *local strategic summits* exist, a delinquency potential is present in relation to the corporate business model of the network.

This potential can even be strengthened by an alliance, a coalition between the local manager and the local board of directors. The organizational grouping, the system of creating *plus-value*, can then be seen as far from being brought under control. If upper management judges the disparity between local behavior and network standards as a source of inefficiency and ineffectiveness, it will work especially towards integrating the local management of activities into a system of mechanist management.

The policies, rules and procedures then become imperatives. The upper management of a federation systematically practices *integration animation* more than mediation animation and does not leave any room for contestation animation. When global upper management strengthens all the mechanisms of *co-ordination by standardization* (of qualifications, procedures, products and results), there is a considerable possibility that the local strategic summits will disappear. In the configuration that has become exclusively global, when the local strategic summits no longer have any autonomy, the standards and norms are directly applied to the base level operators. The configuration becomes that of a single and global upper management and of a network of professional operators who can just as well be autonomous workers as they can be salaried workers of the organization. Management depends on technostructure as well as on personnel motivated by performance remuneration. Large third sector organizations, older and institutionalized, are attracted to this model.

Partnership configurations, local state organizations, local foundation organizations, are also attract to this configuration when grassroots volunteer organizations become branches. They lose their local management autonomy; they have no leeway in relation to the detailed obligations imposed on them by financial donors in terms of the standardization of services, qualifications, procedures and results. The local operators were thus instrumentalized in the name of efficiency and effectiveness.

### 3.7. Global management by performance control

The seventh configuration is management by *performance control*. Coordinating by convoking performance goals and controlling *the results* is not only a co-ordination mode belonging to diversified holding corporations. This co-ordination method is also pertinent to the upper management of any global organization that identifies a *source of innovation and differentiation* in the freedom of local managers and who thus looks to preserve this part of *local autonomy* that may optimize the *effects of proximity*. Thus, to *create the co-ordination of an ensemble of differentiated local units*, managers of the upper management of a decentralized associative, co-operative or mutualist movement or the managers of a governmental or philanthropic program designated to local third sector organizations can opt for a *coordination through the standardization of results* (raising the level of achievements) more than by the standardization of procedures and qualifications. The competence of local operators is acknowledged, their improvement is encouraged. This is a co-ordination mode adapted to the third sector *partnership configuration* that includes a financial donor: the state/local organisms' configuration; the foundation/local organisms' configuration.

As with the management of a conglomerate, these configurations simultaneously require *simple evaluation criteria*, for example, the number of jobs created or maintained replaces the criteria of capital profit. *Mediation management* is also required by the financial donor, privileging trust and *face to face* relations between its representative and each volunteer organization official, which is autonomous in local operation, but financially dependent from above (state, foundation, even a federation based on a global-local partnership). As with decentralized mechanist management, the *proximity effects* are considered a value.

### 3.8. Missionary global management

Finally, the eighth configuration is the *global missionary management*. To reconcile *diversity and unity* of an older, large scale and *complex third sector holding*, the standardization of results is not enough and the standardization of procedures and qualification is even less so, especially when the group is present in multiple sectors of activities. Upper direction at head office can make the choice to co-ordinate the multi-activities system through the group *mission* redefined from the *perspective of social change*. A *general interest supra-project* restores *meaning* to the large third sector institution that lost it when it became ever more “like the others” by adapting to the rules of the game imposed by world competition when it was not dominant enough to make the others firms respect it, despite its size.

The challenge of accomplishing the *insertion of the corporate project in a societal project* with the goal of achieving not only a better world but “the best of worlds” is immense. *Management thus rejoins governance*, the strategic positioning of the corporation interacts with the utopian aspiration of social transformation. The co-ordination of a complex system of large scale activities referring to a supra-project which will stir people into action requires an important interface between management and governance. This also requires a more impressive interface, a strategic and operational encounter, between *business and social technostructures* within the same group. This also includes an interaction between *individual and collective social commitment* in *multiple partnership projects*, bridges between the old and the new solidarity social economy. Participation in the achievement of the general interest is promoted, encouraged and operationalized. The third sector institution or group, the large collective enterprise, associative, co-operative or mutual, thus renews its identity by rediscovering its capacity to *produce values* not only for its members but also for the society within which it operates.

**TABLE 3**  
**Management Configurations**  
**(Malo 2000, reviewed in 2003)**

<b>Ideal-type management</b>	<b>Actors and mechanism of co-ordination</b>	<b>Organization and values of the third sector</b>
1) Missionary or activist management	Activist manager Project projector Charismatic or plural leadership (duo president and CEO) Adhesion to the mission	Small local organization Small federation Generally young VALUE: ENGAGED IN A COLLECTIVE PROJECT
2) Management en solo or entrepreneurial	Strong general direction Co-ordination through direct supervision (authority)	Small organization Small federation Young or old Value: effectiveness in operations
3) Democratic participative management (self-management)	Participation of all the operators Operational committees Frequent general assemblies Manager is a coordinator and animator	Small local organization Small federation Generally young Value: participation (empowerment) as a finality
4) Representative democratic management	Participation of representatives (trade union or other) of workers, volunteers, even users Mixed committees Management open to negotiation	Small or large organization Young or old Value: democratization of the enterprise
5) Decentralized mechanist management	Technostructure producing or importing standards Professionalisation of operators Co-production with user Local management adapting to a corporate model or a program with the support of local board of directors	Global-local configuration partially centralized and decentralized: Older federated ensemble State or Foundation / third sector local organizations network Values: efficiency and effectiveness/user and local community (proximity)
6) Integral mechanist management	Standardization of labor procedures by a global technostructure Standards imposed on everyone, without exception No mediation	Older centralized organizations: Branched out federated ensemble Large branched out organization Centralized global-local partnerships Instrumentalization (dependence) of local operators by state or foundation Values: efficiency and effectiveness
7) Global management through performance control	Control of operation results by a financial supplier or donor Simple evaluation criteria Confidence, mediation Know-how and autonomy of local operators	Decentralized global-local partnership configurations: State and local organizations Foundation and local organizations Federation and local organizations Values: confidence, partnership
8) Missionary global management	Supra-project of general interest Interface between social and business technostructures Individual social engagement and organization social engagement interface Multiple projects partnership at different territorial levels	Older, institutionalized and centralized organizations: Large branched out federated ensembles Large branched out organization Value: participation in the realization of general interest

## CONCLUSION

Three conclusions are conveyed concerning: first, the organizational configurations themselves; second, the variety of governance and management configurations; and third, the reason behind this diversity.

First, the rereading of the organizational configurations, from the perspective of governance and management in the third sector has lead us to *re-interpret the configurations* themselves. Thus, the *entrepreneurial* configuration not only corresponds to *direct supervision* exercised by a strong manager, but also to the autonomy of local governance within a grouping. The *adhocratic* configuration functions through *mutual adjustment* implying a *participatory* governance or management. The *professional* configuration leads not only to *autonomy at work*, but also to the *co-production of services with the user*. The *standardization of procedures* can take place not only through the technostructure of a *mechanist* organization but also through the horizontal transfer of know-how within the *learner* participative organization. The *standardized results* in the *divisionalized* configuration can very well be socio-economic, such as the number of jobs maintained or created. The *political* configuration is no longer doomed to lose; it corresponds to a *democratic* configuration that reveals different interests in a common space of deliberation. Regarding the missionary configuration, it become less an issue of ideology than of an *utopia that mobilizes people into action*.

Secondly, the combination of knowledge on the third sector with the configurations approach allows us to emphasize *six governance and eight management configurations*. We find ourselves faced with a *variety of co-ordination methods*, which is already present in Mintzberg's typology, and it is through them that we begin to detail *the modes of interaction* between stakeholders in a *strategic process* that orients activities as well as the *management modes* of these activities.

Thirdly, even if *contingency factors* were not considered in our study, we believe that the *interaction of territorial and sectorial rationales* constitutes a structuring force and that *size* is an explicative factor of diversity. Nevertheless, size cannot explain everything. The *values* of the actors should also be taken into consideration. Thus, a small organization can be a direct democracy, a deliberative democracy or even entrepreneurial, with power being accordingly concentrated. A large organization can be integrated or integrative. A large network of local organizations can be strongly differentiated locally when the global summit chooses a simple co-ordination by performance contract whereas it can be strongly homogenized when standard procedures are imposed by a global actor who is structuring the sector. Constraints exist but the actors are subjects and not simple agents. They are faced with choices and have the option to work, to fight, to increase their range of possibilities. The configuration and its evolution is thus part of a *double determinist and voluntarist dynamic*.

The collaboration between the external and internal stakeholders of an organization and between organizations of the third sector in a relation with civil society, the market or the state is a social, *reflexive and contextual construction*. More research, case studies and theoretic syntheses, with new approaches - for example, that of *conventions* – could lead to a better understand not only of the governance and management of a specific organization, but also those belonging to an *organizations system* where *alliance, network and partnership configuration* impose themselves as *forms of collaboration* to carry out collective and general interest projects in a plural economy.

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